

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:) Chapter 11
)
W.R. GRACE & CO., et al.) Case No. 01-01139 (JKF)
)
) Jointly Administered
Debtors.)
)

**DECLARATION OF RATNA BUTANI IN SUPPORT OF
ORANGE COUNTY TREASURER-TAX COLLECTOR'S
OPPOSITION TO THIRD OMNIBUS OBJECTION**

John M. W. Moorlach, the Treasurer-Tax Collector for the County of Orange, California ("County"), respectfully submits the following "Declaration of Ratna Butani In Support of the Orange County Treasurer-Tax Collector's Opposition to Third Omnibus Objection."

Dated: May 12, 2004
Santa Ana, California

BENJAMIN P. de MAYO, COUNTY COUNSEL
and JAMES C. HARMAN, DEPUTY

By


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**DECLARATION OF RATNA BUTANI IN SUPPORT OF THE
ORANGE COUNTY TREASURER-TAX COLLECTOR'S
OPPOSITION TO THIRD OMNIBUS OBJECTION**

I, Ratna Butani, declare:

1. I am employed as a deputy tax collector by the County of Orange. As the assigned deputy for this matter, I know the bills generated for the collection of property taxes on property possessed by debtor W.R. Grace & Co., and its affiliated debtors consolidated in this action ("Debtors"). The facts set forth in this declaration are personally known to me and I can competently testify to those facts.

2. I have been employed as a deputy tax collector since 1994. Since November 2002, I have been one of two deputies primarily responsible for managing accounts of taxpayers who have filed for bankruptcy court protection. Through this assignment, and my eight years' of prior experience in the redemption division of the Orange County Treasurer-Tax Collector's Office ("County"), I have personal knowledge of how correspondence, particularly relating to bankruptcy matters, is processed and recorded in the County's tax database, known as the "ATS System."

3. The "ATS System" is a computerized database in which all property tax accounts are managed for the County. All assessments, bills, correspondence, payments, and work done on County property taxes are recorded in the ATS System. Real property is classified in the ATS System by parcel number, while unsecured property, such as that possessed by Debtors, is classified in the system by a "Tax Collector Reference Number." There are a number of search capabilities (e.g. by taxpayer name, address, assessment number) on the ATS System so that the appropriate account can be located to record a transaction or correspondence with a particular taxpayer.

4. Mail is received by the County mailroom. The mailroom distributes the mail to tax collection officers who search the ATS System to match the correspondence with the appropriate taxpayer's account. All correspondence related to a taxpayer's account is noted in the ATS System.

5. Debtors' account in the ATS System is "Taxpayer's Reference Number 0400740." The first reference to a bankruptcy under this account number is a note by Mike Clairmont that he received a letter from Dewa Mahendra that the Debtors filed a Chapter 11 bankruptcy petition on April 2, 2001 in Delaware.

6. The County also keeps a paper file of all correspondence from taxpayers. I have reviewed the file for Tax Collector Reference Number 0400740. There is no notice of a bar date for the taxpayer. The first correspondence in the paper file is the letter received by Mike Clairmont as referenced in Paragraph 5.

7. On April 1, 2003, I was notified by Mike Clairmont of Debtors' bankruptcy. Accordingly, I searched the ATS system to determine the status of Debtors' tax liability to the County. On the same date, I completed and mailed a Proof of Claim (Claim No. 15314) for unpaid property taxes of \$26,918.96. Claim No. 15314 is an unsecured priority claim under 11 U.S.C. section 507 for taxes owed on Debtors' property within Orange County as of January 1, 2002. I later received a conformed copy of Claim No. 15314 from the Clerk of the Court with a file stamp of April 7, 2003.

6. On May 16, 2003, I amended Claim No. 15314 by completing and mailing a Proof of Claim (Claim No. 15317) for unpaid property taxes of \$27,053.18. The amendments were for the same bills as Claim No. 15314, but reflected adjustments to those bills that had not been previously made. Claim No. 15317 is an unsecured priority claim under 11 U.S.C. section

507 for the amount of taxes then owed on Debtors' property within Orange County as of January 1, 2002. I later received a conformed copy of Claim No. 15317 from the Clerk of the Court with a file stamp of May 22, 2003.

7. Debtors' objection refers to Claim No. 15318 filed on June 6, 2003. I have reviewed the ATS System and the paper file for Debtors' account. No claim was filed by the County on June 6, 2003.

8. On October 17, 2003, I amended Claim No. 15317 by completing and mailing a Proof of Claim (Claim No. 15357) for unpaid property taxes of \$22,774.20. The amendments were for the same bills as Claim No. 15314, but reflected adjustments to those bills that had not been previously made. Claim No. 15357 is an unsecured priority claim under 11 U.S.C. section 507 for the amount of taxes then owed on Debtors' property within Orange County as of January 1, 2002. I later received a conformed copy of Claim No. 15357 from the Clerk of the Court with a file stamp of October 20, 2003.

9. In every claim I filed on the County's behalf I placed the amounts shown on the ATS System as the amounts Debtors' owed on their 2002 tax bills.

I declare under penalty of perjury under that the foregoing is true and correct.

Executed this 3rd, day of May, 2004, at Santa Ana, California.

R. J. Butani
Ratna Butani

PROOF OF SERVICE

I do hereby declare that I am a citizen of the United States employed in the County of Orange, over 18 years old and that my business address is 10 Civic Center Plaza, 4th Floor, Santa Ana, California 92701. I am not a party to the within action.

On May 12, 2004 I served the foregoing **DECLARATION OF RATNA BUTANI IN SUPPORT OF ORANGE COUNTY TREASURER-TAX COLLECTOR'S OPPOSITION TO THIRD OMNIBUS OBJECTION** on all other parties to this action by placing a true copy of said document in a sealed envelope in the following manner:

(BY U.S. MAIL) I placed such envelope(s) addressed as shown below for collection and mailing at Santa Ana, California, following our ordinary business practices. I am readily familiar with this office's practice for collecting and processing correspondence for mailing. On the same day that correspondence is placed for collection and mailing, it is deposited in the ordinary course of business with the United States Postal Service in a sealed envelope with postage fully prepaid.

10 (BY AIRBORNE EXPRESS) I placed such envelope(s) addressed as shown below for collection
and delivery by Airborne Express with delivery fees paid or provided for in accordance with this office's
practice. I am readily familiar with this office's practice for processing correspondence for delivery the
11 following day by Airborne Express.

12 [] (BY FACSIMILE) I caused such document to be telefaxed to the address(es) and number(s) shown below, wherein such telefax is transmitted that same day in the ordinary course of business.

(BY PERSONAL SERVICE) I caused such envelope(s) to be hand-delivered to the addressee(s) shown below.

(STATE) I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

(FEDERAL) I declare that I am employed in the office of a member of the Bar of this Court at whose direction the service was made.


Patricia Gary

NAME AND ADDRESS TO WHOM SERVICE WAS MADE

SEE ATTACHED SERVICE LIST

1 Service list
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Clerk of the U.S. Bankruptcy Court
Sixth Floor
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Wilmington, Delaware 19801

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